AIDIS-USA PR CHAPTER REMARKS – AJS March 9, 2006

Good morning and thank you for inviting me here today. I am always pleased to spend time in Puerto Rico – you see, I grew up in Pittsburgh and we share a favorite son with Puerto Rico – Roberto Clemente. He arrived in my hometown when I was young and he helped make champions out of the Pirates. I'll never forget him and am forever grateful for your having shared him with us.

Some would argue that establishing an environmental agenda for the second half of the month is a daunting enough prospect, let alone trying to set one for the balance of the decade.

Nevertheless, in the words of a famous philosopher – General George S. Patton – "Pressure makes diamonds" – and with that as inspiration, I'll do my best to lay out some of the initiatives we will be working on during the balance of the decade.

I think it is significant to note that the U.S. Environmental Protection Agency is celebrating its 35th anniversary. Three and a half decades ago, environmental problems were blatant – our water and air were polluted, our land was contaminated in very obvious ways. Paraphrasing Bob Dylan, at

that time "you didn't need a scientist to tell which way the environment was going." The Earth was clearly in trouble.

In the early 70s, a number of key acts were passed into law – including the Clean Air Act, the Clean Water Act and the Safe Drinking Water Act. These acts gave us the tools and impetus to begin an environmental overhaul.

Each year we continue to make environmental progress – and we have done so without compromising economic progress. Since EPA's founding, air pollution has decreased over 50 percent, while our gross domestic product has more than doubled. We have proven that environmental protection and economic growth work hand in hand.

Lest we pat ourselves on the back too quickly, however, there is much more to be done. And Puerto Rico is right in the thick of things. Here, the health of the environment is intimately connected to the health of the island's economy.

In the commonwealth, EPA partners with governmental and non-governmental organizations in an effort to bring about change. Let me talk to you about some of that change by incorporating the agency's five goals – clean air, clean water, clean land, healthy communities and ecosystems, and compliance and stewardship.

While some other areas of the region – notably areas surrounding Manhattan and sections of New Jersey – are not in attainment of the agency's health based standards for fine particulate matter – the air above us is fairly clean. Yet, if you drive ("LOUT-O-PISTA") la autopista or ("LAV-A-KNEE-DA") la avenida in or around San Juan, you can't help but drive through the thick exhaust of a diesel engine. Dangers from the exhaust of diesel powered trucks and buses, and even non-mobile sources, can't be overlooked - particulate matter from diesel exhaust aggravates asthma and other respiratory conditions, and can contribute to cardiovascular disease and premature death.

We're attempting to do something about that right now. EPA's Clean Air and Diesel Rules go into effect this October, requiring cleaner fuels – low sulfur fuel – and cleaner engines. The island and its residents will be healthier for it. And, in five years, healthier still.

Another air pollution reduction initiative results from the consent decree between EPA and PREPA, which requires the utility to burn lower sulfur fuel at its Costa Sur and Aquirre plants, and at its Palo Seco and Puerto Nuevo facilities, or install air pollution control equipment to reduce emissions in an equivalent percentage.

EPA has also worked together with EQB to bring the ("GWA-YA-KNEE-JA – PAIN-WELL-US") Guayanilla-Penuelas and the Catano air basins into compliance with National Ambient Air Quality Standards.

Air pollution – whether outside or inside your house – can have a dramatic effect on human health. Several weeks ago, I was visiting the island and announced \$123,000 in grants for asthma related research for two of its academic institutions – the University of Puerto Rico and the University of Turabo.

Asthma is a severe problem in Puerto Rico. Studies have shown that the Commonwealth has the highest asthma mortality rate in the United States – other studies suggest that nearly 20% of the population is asthmatic. And a significant portion of those afflicted are children.

By taking pollutants out of the air – pollutants like sulfur and diesel exhaust – we can begin to make life easier for those afflicted. Besides the health benefit, there is an economic benefit as well – less doctor visits and hospital visits translate to less out of pocket and insurance costs – and a healthier workforce.

Cleaner air, land and water are byproducts of one of our most successful volunteer programs. EPA's Performance Track program rewards companies and organizations for going above and beyond compliance.

Nationwide, the 350 Performance Track members have reduced the generation of solid waste by 600,000 tons, and have decreased their energy use by more than 8.4 trillion BTUs, enough to power more than 80,000 homes for a year.

In our region we have more than 45 Performance Track members – the most recent being Pfizer Pharmaceuticals Cruce Davilla, located in Barceloneta. Pfizer Pharmaceuticals joins 16 other Puerto Rico based operations, including Baxter Caribe and Baxter Healthcare Corporation of Puerto Rico, Ortho Biologics and Ortho Pharmaceuticals, Ethicon, Hewlett Packard Caribe, LifeScan, McNeill Consumer Specialty Pharmaceuticals and Schering Plough's Las Piedras operations. All of these companies have pledged to minimize their environmental footprint and, in doing so, they have contracted with EPA and the residents of Puerto Rico to produce a cleaner and healthier environment.

Some of the most pressing environmental and health matters in Puerto Rico have to do with water – wastewater, wetlands, and the availability of clean drinking water. Forecasting the next five years or so, we are hopeful that much of the environmental progress in Puerto Rico will occur with regard to these issues.

One of the initiatives we are working on right now is a mega-consent decree with PRASA that will have a far-reaching impact on the island's wastewater treatment program. Over the past 35 years of the agency's legacy, EPA has invested more than \$1.2 billion for wastewater infrastructure.

Our intent is to establish a sustainable preventive maintenance program for all wastewater facilities, sanitary system evaluations and repairs.

We are working with and supporting EQB in developing Total Maximum Daily Loads, budgets for the discharges allowed to go into the island's waterways. About 80% of the population gets its drinking water from surface waters, which makes water quality especially critical in Puerto Rico. We have also signed a Watershed Stewardship Agreement with the Department of Health, EQB and PRASA to channel penalties imposed on PRASA for TMDL work. Related studies have already begun in the Rio Grande de Loiza and Rio La Plata watersheds, from which 40% of the population gets its drinking water.

And just yesterday we announced that the Puerto Rico Administration of Corrections has agreed to resolve violations of the federal Clean Water Act by paying a penalty, and by building a drinking water system – at a

projected cost of \$1 million – to provide safe drinking water to the community of La Sapia in Orocovis.

EPA's goal, articulated by Administrator Steve Johnson, is to make significant progress in protecting human health and improving water quality over the next few years. Today, compliance with drinking water standards across the nation is about 93% - we want to get that to 95% by the year 2008.

While a two-percent up-tick may not seem significant, it is - in the grand scheme of things. Unfortunately some of us still tend to take clean water for granted. After all, for many of us, it's just an arms length away. We drink it, cook with it, bathe in it, and even wash our cars in it. Yet 40% of the world's population – 2.6 billion people around the globe – lack basic sanitation facilities and over one billion still use unsafe drinking water sources. A baby in sub-Saharan Africa is five hundred – not five, but five hundred – times more likely to die from an intestinal disease due to unsafe water than a baby in the developed world. The significance of that is enormous.

Here in Puerto Rico, only 26 percent of the population receives drinking water that consistently meets federal health-based standards. Our goal is to significantly improve that percentage over the next decade. We

have recently taken a series of actions to move the commonwealth government and PRASA to more aggressively mitigate the drinking water problem in Puerto Rico.

There are also about 200 non-PRASA water systems on the island, serving about 120,000 residents. None of them are fully compliant with the Safe Drinking Water Act. We have to continue to change this dynamic – these residents deserve better.

A group that is trying to make a difference locally is the Partnership for Pure Water. Combining the efforts of private and public interests for more than a dozen years, the Partnership has worked toward upgrading the quality of drinking water in the commonwealth.

One thing we learned long ago was that the federal government is not as successful in making environmental improvements by itself. We need private sector and state-level partners, and we need citizen participation to affect change. With organizations like the Partnership for Pure Water on our side, we can make progress.

Puerto Rico wetlands and sensitive ecosystems are of great concern to all of us. Recently there have been several EPA actions that have cracked down on illegal development of wetlands, specifically in San Isidro and Mayaguez. We also signed a consent decree with PREPA that will cause a

\$3.4 million acquisition of wetlands at the Cucharillas marsh in Catano to protect it for eternity.

Wetlands are too valuable to compromise. They naturally filter chemicals and other contaminants from our inland and coastal waterways and help control erosion, especially during storms. They also nurture and sustain a variety of wildlife. Damaging or eliminating wetlands have a serious impact up and down the food chain – again, imposing not only environmental, but also economic hardships on the community.

On another water note, Puerto Rico is the recipient of an EPA

Beaches and Environmental Assessment and Coastal Health Act grant of

\$328,000 to develop and implement beach water quality monitoring and
notification programs at coastal beaches. With more than 300 miles of
ocean coastline, Puerto Rico's monitoring of its beaches and water quality is
a critical element in its environmental and economic health.

Puerto Rico is the third densest jurisdiction in the United States,
behind Rhode Island and New Jersey. Most of its nearly four million
residents are city dwellers with a great majority living in and around San
Juan. During the height of tourist season, those numbers practically double.
Urban sprawl has taken its toll on the island. The commonwealth is working

on a land use plan that promises to deal with its limitations in terms of space and natural resources.

Perhaps the most pressing environmental issue on the island is solid waste management. There is no getting around the fact that Puerto Rico is an island, with limited boundaries and limited space. Many of the island's landfills lack liners and leachate controls. Some are located in environmentally sensitive karst areas, posing direct threats to ground water. Some are located close to drinking wells or vulnerable ecosystems, or are impacting wetlands. These conditions make the management of the island's solid waste even more challenging than on the mainland.

Over the past few months, EPA has been engaged in an intense dialogue with the commonwealth government about the need for a solid waste management program that is protective of people's health and the environment. The commonwealth has taken some positive steps in that direction, but more progress is needed.

My staff is now reviewing Puerto Rico's Solid Waste Management
Plan, which appears to contain many positive and important measures for
stimulating more recycling and minimizing waste. It does not, however, set
forth a comprehensive framework for bringing the island's landfill system
into compliance with federal and commonwealth regulations.

EPA will continue to work with the commonwealth to improve the island's solid waste management program, and will also move forward with our own actions to bring some of the landfills into compliance.

Our ultimate goal is a comprehensive solid waste management program that recognizes the need for properly located and managed landfills, and a serious approach to recycling and reducing Puerto Rico's waste.

Recycling itself will require a fresh look now that we have moved rapidly into the electronic world. If you're a member of my generation, you can recall the days of black and white television, rotary telephones, 45 rpm records and the manual typewriter. Today you can't go very far without running into someone with an iPod, a digital camera or a cell phone.

On the subject of cell phones alone, I was amazed to learn that over 100 million cell phones are retired each year and that another 500 million are stored in drawers and closets with no clear plan for collecting or recycling.

E-cycling, as the recycling of electronics equipment is called, is no longer a luxury – it's a necessity. Many communities are responding with special electronics equipment pickups and manufacturers are being charged waste related fees. Here, in Puerto Rico, where the recycling rate is only in the range of 10-15% of all recyclable goods, we have a problem – and

electronic waste is only going to complicate that problem further. We have to come to terms with that.

Frankly, I think there is more than just an environmental opportunity here. I think there is also an economic opportunity. On the mainland, the recycling industry is rivaling some more traditional industries for revenue growth. In the commonwealth we need a greater recognition of the economic benefit of recycling – recycling and reuse means lessened expense – recycling and reuse means industrial support – recycling and reuse means potential employment opportunities.

So, what will the environmental landscape look like in five years? I can only hope that we take these things to heart and help make this beautiful island an even more beautiful island, while providing its people with the healthiest environment possible. We need to continue to improve the island's drinking water and wastewater programs; we need to continue to improve its air quality; we need to continue to improve its solid waste management program; we need to improve Puerto Rico's environment.

Tomorrow is the 130th anniversary of the first telephone conversation

– in which Alexander Graham Bell said, "Mr. Watson come here. I want
you." Nothing especially profound about that…just seven very simple
words that ushered in the era of modern communications.

Sometimes the simplest messages resonate the loudest, and I'd like to leave you with one that I hope resonates loudly with you. It comes directly from President Bush and Administrator Steve Johnson and is very simple:

EPA intends to accelerate the pace of environmental progress while maintaining economic competitiveness. And, more to the point, the next five years will see even greater progress than the last five. *Buenos Dias*.